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Senator Chuck Grassley Delivers Weekly Republican Address

'The President and his allies in Congress want to spend too much, tax too much, and borrow too much'

WASHINGTON, D.C. – U.S. Senator Chuck Grassley (R-IA) released the following weekly Republican address. The address is available in both audio and video format and is embargoed until 6:00 am, Saturday, March 14, 2009.

Audio of the address is available [here](#)

Video of the address is available [here](#)

Full transcript of Senator Grassley's address:

"I'm Senator Chuck Grassley of Iowa. I serve as the senior Republican on the Senate Finance Committee, which handles all tax legislation.

"The President of the United States has the pleasure of leading the country in the best of times, but the responsibility for digging us out of the worst.

"He has to govern in the present and build confidence for the future.

"Right now, Americans need jobs. They want Washington to fix only what it can, without destroying opportunities for the next generation.

"The President's programs don't connect all the dots.

"His plans fail to recognize that Americans are not an endless source of tax dollars to pay for government spending.

"The President's proposed budget raises taxes. For the vast majority of people who earn less than \$200,000, raising taxes on higher earners might not sound so bad.

"Yet a lot of small businesses are in that category. The landscaper or the general contractor with a dozen employees could land in the bull's eye.

"Tell these business owners their taxes will go up. Odds are, they'll cut spending. They'll cancel orders for new equipment, cut health insurance for their employees, stop hiring, and lay people off.

"These small businesses happen to create 74 percent of all new private sector jobs in the United States.

"Meanwhile, the President's budget includes a tax increase on more than half of small businesses with 20 or more employees. Businesses of that size account for two-thirds of the small business workforce. The tax increase is equal to 20 percent of the marginal tax rate paid by those small businesses.

"Ask people what number of jobs they're willing to sacrifice right now. To a person, they'll tell you zero.

"The Administration also wants to cut the tax deduction for giving to charity. Even the Tax Policy Center, a left-leaning think tank, says this would mean \$9 billion less for philanthropy.

"The Administration's proposal to reduce the carbon production could amount to an average hidden tax increase of around \$3,000 per household a year. In effect it's a national sales tax on energy.

"All of these tax increases would be the biggest tax increase in history.

"That's not all: Even if every one of these tax increases goes on the books, this budget still nearly triples the national debt by 2019.

"The President and his allies in Congress want to spend too much, tax too much, and borrow too much.

"Somebody has to pay -- if not the middle class now, then later. Eventually the middle class gets hit.

"Meanwhile, if taxes get too high, people drop out of the workforce and pay less taxes.

So higher taxes don't bring in more money.

"Government spending is a pretty inefficient way to create jobs anyway. Economists say the new stimulus bill will cost \$787 billion to create or save 2.5 million jobs -- one million fewer than promoted by the Administration and congressional supporters. It amounts to \$315,000 for each job created or saved.

"It's very simple. The government doesn't create wealth. It expends wealth.

"No wonder then the public is skeptical about Washington trying to fix the economy with one massive spending bill after another. It's hard to convince taxpayers that more deficit spending is the answer.

"There's evidence that the President and his people understand this, even if their budget doesn't show it. They say they don't want to raise taxes until 2011 because the economy is too weak.

"Well, if the President admits that tax increases hurt the economy, that will be true in two years as it is true today. Americans need leadership, and they need confidence now. They need their President and their elected representatives to connect all the dots. Jobs are hard-won. The government should first, do no harm. Thank you for listening."

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